

Remarks

Claims 24, 41 and 45 have been amended, claim 25 has been canceled and new claims 46-49 have been added. Review and reconsideration in view of the amendments and remarks below are respectfully requested.

This Amendment After Final is being submitted on the assumption that the Amendment After Final submitted on December 14, 2007 has not been entered, as indicated in the Advisory Action of January 15, 2008.

Claims 1-24 and 26-45 are rejected as being obvious over U.S. Pat. No. 5,053,957 to Suzuki in view of U.S. Pat. No. 6,128,599 to Walker. As previously noted, the Suzuki reference discloses a system for tracking discounts that is implemented on an electronic cash register. Differing types of purchasers (stockholder, employees, members and guests) receive varying levels of discounts for their purchases (column 2, lines 4-7). The system and method of the Suzuki reference appears to be nothing more than an electronic cash register programmed to track and immediately apply the appropriate discount levels to a single purchase (see column 1, lines 8-12).

The Walker '599 reference discloses a system for tracking financial accounts, (i.e. credit cards), and is not directed to tracking purchases. Instead, Walker '599 focuses upon, and rewards, the collective purchases of a group (i.e. an affinity group such as a college alumni group (column 1, lines 23-24)).

The Office action has proposed combining the Suzuki and Walker references. In the Advisory Action, it is indicated that "the examiner had intended for the affinity groups of '599 to correspond to the product categories of Suzuki ('957) so that product categories would be associated with corresponding affinity groups. For example the NRA affinity group of '599 (1:49-57) would be associated with an appropriate category of goods such as sporting goods, with the product discounts for group members of '957 being an added member benefit."

However, if, an affinity group (such as the NRA) of Walker were simply associated with an appropriate category of goods in the system of Suzuki, the subject matter of the claims would not be shown. For example, it appears that the Office proposes modifying Fig. 4 of Suzuki such that a "member price" discount, by way of example, is provided to NRA members. However, in this case, at least the "tracking" step of claim 1 would not be shown. That step requires "tracking

a customer's purchases in at least the selected product categories over a plurality of discrete purchase transactions." As noted above, the system of Suzuki is an electronic cash register which calculates an instant, one-time discount for various classes of purchasers. Thus, simply plugging an affinity group of Walker into the system of Suzuki does not show the subject matter of claim 1.

It is further noted that the Advisory Action indicates that "the examiner was relying on the member product discounts of '957, not the cash register embodiment." However, to the Applicants' reading, the '957 patent is entirely directed to, and entirely focused upon, an electronic cash register. Indeed, the title of the Suzuki reference is "Electronic Cash Register Having Discount Prices Selected by Customer Level." Accordingly, it is difficult to discern what "other embodiment" of Suzuki is being referred to in the Advisory Action.

Further, at page 3, lines 4 and 5 of the final Office action, it is indicated that it would have been obvious to "have applied the cumulative purchases of '599 to the reward system of '957." Accordingly, it appears that the Office action may be taking the position that the Walker reference would teach one of ordinary skill in the art to modify Suzuki such that the discounts of Suzuki are accumulated over multiple transaction.

However, the Walker reference is directed to a system which tracks purchases of a group of purchasers via a credit card, and provides a reward to the affinity group. Thus, it can be seen that the Suzuki reference, which is directed to providing a discount at an electronic cash register, is directed to an entirely different system and indeed, an entirely different transaction, taking place at a different time, than the Walker '599 reference. Suzuki focuses upon *purchases* by an *individual customer* at a *store*, and the Walker '599 reference focuses upon *credit card transactions* by a *cumulative group* that can occur in any of a variety of manners (i.e. a balance transfer; a mortgage payment, etc.).

Since these two references teach distinct methods directed to different aspects of a transaction or transactions, if one of ordinary skill in the art attempted to combine these references, the references would simply be combined and used in their individual discrete areas of commerce as designed. The Suzuki reference would, for example, provide a discount to individuals when purchasing clothing. If that purchaser were a member of an affinity group (i.e. an alumni group) under the Walker '599 program, and used the appropriate credit card, that

purchase could count toward the affinity group's total. It is submitted that one of ordinary skill in the art would not try to form a mashed "hybrid" of these two varied references when they fit together perfectly well, and function in their intended manner, in their unmodified form.

Moreover, Applicant have difficulty understanding the text at lines 11-14 of the final Office action, where it is indicated that corresponding buyers of different levels to the affinity groups of '599 would provide an incentive "*in addition to the incentive provided by the buyer level discounts of '975.*" Furthermore, at page 3, lines 17-18, the Office action refers to "*the combination of '957's discount levels and '599's cumulative tracking and rewards.*" It is currently believed that Suzuki and Walker are being proposed to be combined so that the discounts of Suzuki are being provided over multiple transactions; not that two layers of benefits are being provided, and therefore these statement have proven difficult to discern.

Applicants appreciate the Office's efforts to lend clarity to this issue in the Advisory Action so that prosecution can move forward. However, the interpretation of the references is still unclear to Applicants. Accordingly, should this Amendment be denied entry, and a Request for Continued Examination subsequently be filed, Applicants respectfully request that an Interview be held once the application is taken up again for examination. As noted in MPEP §706.07(b), "A request for interview prior to a first action on a continuing or substitute application should ordinarily be granted."

In any case, it is submitted that the subject matter of claim 1 is not shown in the combined references. Claim 1 specifies that, under the "providing" step, a single reward is provided "to said customer based at least in part upon the customer's cumulative purchases. . . ." In contrast, however, the Walker reference does not disclose providing a reward to a customer. Instead, the Walker reference discloses providing a reward to the *sponsor of an affinity group* (i.e. an alumni association). For example, a column 1, lines 16-21 of Walker, it is disclosed that the invention relates to a method and system of managing a reward offer "to benefit an affinity group sponsor." In the description of its system, the Walker reference specifically indicates that the *sponsor of an affinity group* receives the reward (see column 4, lines 50-62). At column 3, lines 61-62, the Walker reference makes clear that credit card holders are *members* of an affinity

group sponsored by an affinity group sponsor, thus making clear that credit card holders are different and distinct from an affinity group sponsor.¹

Accordingly, the "providing" step is not met by the Walker reference on the basis that the Walker reference does not provide a reward to "said customer." Instead, under Walker, the reward is provided to an affinity group sponsor, and no reward is provided to the individual credit card holder. Thus, it is submitted that the subject matter of claim 1 is not shown.

In addition, the "tracking" step of claim 1 is not shown in the combined references. In particular, that step requires tracking a customer's purchases "in at least the selected product categories over a plurality of discrete purchase transactions." The Suzuki reference does not track customer purchases over a plurality of discrete purchase transactions, as that system is only implemented in a single, real-time transaction. Conversely, the Walker reference does not disclose tracking purchases in "selected product categories" over a plurality of discrete purchase transactions. Instead, Walker merely tracks aggregated purchase amounts, but is not disclosed to track any particular nature or category of purchased products. Accordingly, it is submitted that the subject matter of claim 1 is not shown, even when the Suzuki and Walker references are combined.

Independent claim 24 specifies includes the step of "tracking said customer's purchases in at least the selected categories over a plurality of discrete purchase transactions." In contrast, as noted above, the Suzuki reference does not disclose calculating a reward based upon cumulative discrete purchase transactions. Independent claim 24 includes, as its last step, "providing said reward to said customer." In contrast, the Walker reference provides a reward to the affinity group.

Independent claim 26 is directed to a system for tracking and calculating customer rewards, and specifies that the computer calculates a "single reward for each customer based at least in part upon the customer's cumulative discrete purchase transactions." In contrast, as noted above, the Suzuki reference does not disclose calculating a reward based upon cumulative

¹ The Walker reference does disclose notifying credit card holders of the reward *offer* (but not actually awarding the reward to the credit card holder) at column 4, lines 18-26. Moreover, at column 11, lines 14-26, the Walker reference discloses providing a reward to individual card members, but that reward is only provided when a customer provides a referral which turns into a new membership, and therefore is completely distinct and separate from purchase transactions which are the specific matter of claim 1 and the Suzuki reference.

discrete purchase transactions. Moreover, the Walker '599 patent does not disclose calculating a reward for a "customer," and instead calculates a reward for the sponsor of an affinity group.

Claim 33 is directed to a software device including a tracking module for tracking customer purchases for a plurality of discrete transactions. The claimed software device further includes a calculating module for calculating a single reward for each customer based at least in part upon the cumulative tracked plurality of discrete customer purchases. In contrast, the Suzuki reference does not disclose tracking purchases for a plurality of discrete transactions, and also does not disclose calculating a reward based upon a plurality of discrete customer purchases. The Walker reference fails to disclose calculating a reward for a "customer" based upon the customer's purchases. Thus, if the Walker reference were to be combined with the Suzuki reference, the subject matter of claim 33 would not be shown.

Finally, the remaining independent claim (claim 45) distinguishes over the cited references for the same or similar reasons as claim 1 as the other independent claims, discussed above.

In the Advisory Action mailed on January 15, 2008, the Office takes the position that the Walker reference does teach awards accruing to individual members. However, this position is respectfully traversed.

As an initial matter, the Office action cites to Fig. 3 of Walker, more particularly reference number 316, which is a column indicating that a "reward preference" may be frequent flier miles. However, reference number 310 in that same Fig. 3 is a column indicating "Affinity Group ID." Thus, it is clear that the rewards in the column 316 accrue to the affinity group having the ID number in column 310, or the sponsor identified in column 312. The "percentage of charge volume" and "percentage of outstanding balance" referenced in the Advisory Action are also clearly awarded to the affinity group/sponsor in corresponding columns 310/312. There is no indication in Fig. 3 that the reward is provided to any individual members of the affinity group; indeed, the clear implication is to the contrary.

The Advisory Action also appears to reference Fig. 5 in support of its position. However, column 510 of Fig. 5 similarly makes it clear that the rewards are provided to the affinity groups.

The Advisory Action also appears to refer to column 8, lines 3-13 of Walker in support of its position that Walker discloses providing benefits to individuals. However, column 8, lines 3-

13 merely refer to the type of reward, and does not address in any way to whom the reward is provided. There is nothing inherent in the types of rewards that would prevent them from being provided to an affinity group sponsor.

The Office action further refers to column 11, lines 14-26 of Walker in support of its position that Walker discloses providing benefits to individuals. However, as noted above, and noted in Applicants' Amendment After Final of December 14, 2007 (at footnote 1 on page 10), that passage discloses providing a reward to individual card members, but that reward is provided when a customer provides a *referral* which turns into a new membership. In contrast, the claims of this Application are directed to providing a reward based upon purchases. Thus, this passage of Walker is clearly inapposite to the issue at hand and does not provide any disclosure or teachings relating to providing a reward to an individual based upon *purchases*.

The Office action indicates that "the awards are provided by the affinity groups as benefits to their members..." It appears that the Office action may be taking the position that, even if the benefits are provided only to the affinity groups, this still benefits the members. While this position is believed to be dubious, by this Amendment several new dependent claims (claims 46, 48 and 49) have been added, and these claims specify that the reward is provided directly to the customer. Support for these claims can be found at least at page 8, lines 16-22, page 9, lines 12-14, page 9, lines 21-26, and Fig. 6.

The Advisory Action also indicates that "the awards are provided by the affinity groups as benefits to their members, and also as an incentive to use the system which results in donations to the affinity groups." However, no citation to Walker is provided in support of that statement. Moreover, it is submitted that the teaching of Walker are to the contrary. In particular, as noted above, at column 1, lines 16-21 of Walker, it is disclosed that the invention relates to a method and system of managing a reward offer "to benefit an affinity group sponsor." The Office action has not provided any evidence in Walker to contradict this clear statement that the program benefits the group sponsor, and not individuals.

In fact, the specific example referenced in the Advisory Action support Applicants' argument in this regard. The Advisory Action references column 1, lines 49-57 of Walker, as an example of an affinity group which may correspond to the product categories of Suzuki. In particular, column 1, lines 49-57 references the NRA as an example of an affinity group.

However, that passage is explicit and clear that "*The NRA* receives 0.5% rebate for all transactions conducted through card holder accounts which are affiliated with the NRA." (column 1, lines 51-53, emphasis added). At column 1, lines 56-59, it is indicated that "*These alumni associations* receive contributions for every charge made by an affiliated card holder." (emphasis added). There does not appear to be any teaching or suggestion in Walker that the benefits are not provided directly to, and retained by, the affinity groups.

The present application discloses a true reward/discount program which is set up and run in a completely different manner than the electronic cash register of the Suzuki reference or the affinity card program of the Walker reference. In one embodiment, the store or chain determines a plurality of product categories such as "frozen foods and ice cream," "fresh produce," "pet foods and supplies," or the like. Customers may then be invited to sign up for the program and select any number of the product categories. Once the product categories have been selected, the customers' purchases in at least the select product categories may be tracked. The program may be run for a discrete period of time, after which the program ends and purchases in each selected category may be totaled. A reward or rebate based upon the purchases and selected category may be calculated. Thus, the system is a true reward "program" and is distinct from the simple instant discount program of the Suzuki reference, and the affinity card program of the Walker reference, even when those two references are combined.

Applicants hereby petition under 37 C.F.R. §1.136 for an extension of time of one month to respond to the outstanding Office Action. Payment for the \$120 fee for a response within the first month (37 C.F.R. §1.17(a)) is made herewith.

In sum, as outlined above, it is submitted that each of independent claims distinguish over the cited references. Accordingly, it is submitted that the application is in a condition for allowance, a formal notice of thereof is respectfully solicited.

The Commissioner is hereby authorized to charge any additional fees required, including the fee for an extension of time, or to credit any overpayment to Deposit Account 20-0809. The applicant(s) hereby authorizes the Commissioner under 37 C.F.R. §1.136(a)(3) to treat any paper that is filed in this Application which requires an extension of time as incorporating a request for such an extension.

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